Sappi North America has been publicly reporting progress on sustainability initiatives since 2008 as part of a global sustainability report issued annually by Sappi Limited. This is the seventh consecutive year that each regional division will issue its own sustainability report, with consolidated global sustainability performance included in the annual report to shareholders. Sappi Limited will continue to publish a separate online report in conformance with the Global Reporting Initiative’s G4 framework and disclosing compliance with the United Nations Global Compact (UNGC), to which we are a signatory.

Covering FY 2017 (September 26, 2016, to October 1, 2017), this year’s report focuses on performance against goals and an update on key performance indicators. The report includes environmental performance data for Sappi’s three US manufacturing operations in Skowhegan, Maine; Westbrook, Maine; and Cloquet, Minnesota. Social responsibility and prosperity metrics are reported for the full region, including our corporate facilities, sales offices and sheeting facility in Allentown, Pennsylvania.

Copies of reports produced by Sappi Limited can be accessed at sappi.com/investors. Online access to sustainability reports from Sappi’s regional divisions in Europe and South Africa can be found at sappi.com/sustainability-sappi-group.

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Dear North American colleagues and stakeholders,

2017 was a good year for Sappi globally, with the focus and energy of our people enabling us to deliver another strong set of results built on the momentum of past years. In North America, good cost management and strong contributions from our Specialised Cellulose business offset some of the weak market conditions in the graphics and release businesses.

Of particular note is the exceptional safety performance displayed by the North American team, and I want to recognize the full effort and dedication this took. Globally, satisfaction with our performance must be tempered by collective grief of the four fatalities suffered this year in Africa and Europe. I am calling on our people to display the same vigour and commitment to improving our safety performance as they have shown in embracing our 2020Vision, strategic diversification and values.

In 2017, we continued to invest in growth in all three planks of sustainability—Prosperity, People and Planet.

Prosperity. Significant investments at Somerset, both to rebuild Paper Machine 1 and to upgrade the wood room, as well as a new headbox for Cloquet Paper Machine 12 will keep those mills globally competitive and open up new packaging markets. Similar mill investments in Europe and the acquisitions of Plaxica, Rockwell, and Cham Paper Group, all of which are described further in this report, will accelerate product innovation across the globe. Collectively, these investments align with our global diversification strategy and 2020Vision to grow in higher-margin growth segments.

People. We continued to invest in our people with world-class training programmes, and in promoting skills and socio-economic growth in the communities close to our operations. Our customers benefitted from more focused market-facing initiatives, new products and market-leading innovations. We also continued our collaborative work with technology partners worldwide to accelerate our move into adjacent markets and to develop more sustainable approaches to the task of balancing socio-economic growth and natural capital.

Planet. As the world population approaches the eight billion mark, with concomitant pressure on natural resources, the need to use natural capital responsibly becomes increasingly important. Recognising this, we work to reduce our environmental impact across the group. In North America, good progress was made in reducing waste, improving efficiencies and maintaining a very low carbon footprint as detailed in this report.

At Sappi we believe that sustainable growth must emanate from a solid foundation where we do not focus exclusively on profits, but rather, balance our need to generate Prosperity by promoting the interests of People while respecting the boundaries of the Planet. Our value statement “at Sappi we do business with integrity and courage, making smart decisions which we execute with speed” is guiding people towards the right behaviour and is providing the foundation for further growth.

Steve Binnie
Chief Executive Officer
Sappi Limited
Sappi North America saw many successes in 2017 despite challenging market headwinds. To our employees, customers and other partners whose dedication contributed to those successes, I thank you.

Our focused strategy and continued investment in our assets and operations set the foundation for our business success, but the nimbleness of our team in responding to changing markets with new products, new services and new ways of doing business really made the difference. That same agility and focus will define our performance in 2018 and beyond, ensuring that we meet our business plan and set new standards of excellence.

Safety

Safety remains our single most critical priority. In 2017, we achieved a Lost Time Injury Frequency Rate of 0.43, which is a 38 percent improvement over last year and well surpasses the top quartile of LTIFR performance for US paper mills (0.6). This past November, AF&PA awarded our Cloquet Mill its 2017 Sustainability Award for Safety recognizing its milestone achievement of over two million hours worked without a lost-time injury.

Employees

Investment in our people is key to our success. In 2017, employees received an average of 80 hours of training, and employee engagement, as measured by a bi-annual survey, saw significantly improved results driven by higher participation and employee ambassador programs, enhanced communication, corporate volunteerism and training.

Environmental Stewardship

Since establishing rigorous five-year goals in 2014 to focus our waste reduction and efficiency efforts, we have already achieved a 2.0 percent reduction in energy intensity, well on our way to achieving a 5 percent reduction by 2020. Reduction in pulp mill raw material waste was even more impressive, with a 17.8 percent drop from the 2014 baseline, already well exceeding the 2020 goal of 10 percent. Paper mill waste reduction is a priority and we remain committed to a 5 percent reduction by 2020.
Business and Strategic Success

Return on Net Operating Assets, our measure of sustainable business success, was 4.7 percent in 2017; down slightly from the previous year, due in large part to very weak operating rates and price declines for the graphics business. Strong positive momentum was established by the fourth quarter, with increased profitability from our dissolving pulp and packaging businesses, as well as improved graphics pricing benefiting overall results.

Importantly, the strategic choices we made in 2017 will pay off in stronger returns in 2018 and beyond. Investment in building strong corporate and product brands is paying off in improved market position, while cost control strategies have established a sustained competitive advantage. The rebuild of Paper Machine 12 at Cloquet, the new Somerset woodroom and the ongoing rebuild of Paper Machine 1 at Somerset to make new packaging products all set the stage for our evolution to a high-growth, high-margin diversified company.

Outlook for 2018 and Beyond

While there is no single formula for success, I firmly believe that our commitments on three fronts will go a long way in achieving sustained success.

1. Taking the long view. If we are low cost now, what will it take to remain low cost and competitive in the future? Do our lines of business and products anticipate new patterns of demand and consumption? Are our employees trained and empowered only to meet the pressures of today, or are we inspiring them to create and innovate? These are the hard questions for any business, and the answers must be grounded in focused actions based on rigorous analysis and debate.

2. Establishing and maintaining trust with our customers and our communities. It’s becoming increasingly important to demonstrate that our ethical commitments to honesty, integrity and reliability don’t start and stop at our door, but extend to all of our important supply partners. Sappi North America has been committed for years to third-party certification systems to ensure that our pulp and wood supplies are sustainably managed; we also invest in ISO and other certification programs to ensure we meet customer expectations beyond mere legal compliance.

3. Being open to change. No strategy can anticipate every risk or challenge. The ultimate mark of a successful company is to have the courage to admit when a plan isn’t working, or that actions simply aren’t enough of the right things. Being open to change, being quick to respond, listening to customers and collaborating on creative solutions, all are the hallmarks of a truly sustainable company.

In Closing

Let me once again thank all of you who share our vision and work alongside us to achieve our goals. The year ahead will be full of challenges but also opportunities to reach more customers in markets new to us, and to serve existing customers in more relevant ways. As always, it will be a team effort, and I know I can count on the best team in the industry to make it happen.

Mark Gardner
President and CEO,
Sappi North America
Overview of Sappi North America

Sappi North America—headquartered in Boston, Massachusetts, with over 2,000 employees in the United States and Canada—is a subsidiary of Sappi Limited. Our three North American mills have the capacity to produce 1.17 million metric tons of paper and 865,000 metric tons of pulp. The success of our four diversified businesses is driven by strong customer relationships, world-class assets and outstanding products and services. Customers rely on Sappi to deliver products and services with consistently high quality and reliability supported by technical, operational and market expertise.

Pulp

Sappi North America is an integrated pulp and paper producer with state-of-the-art pulp mills. We produce bleached kraft pulp (Somerset Synergy®) and dissolving wood pulp (Specialised Cellulose) for sale to other manufacturers. With a 2013 conversion of the pulp mill at Cloquet, that mill is capable of producing 340,000 metric tons of dissolving pulp or 470,000 metric tons of bleached kraft pulp. Our world-class mill in Skowhegan is capable of producing 525,000 metric tons of bleached kraft pulp. To learn more, visit sappi.com/dissolving-wood-pulp or sappi.com/market-pulp.

Printing Papers

Our coated papers are specified for printing projects in which top-quality is essential, including corporate annual reports, fashion magazines, catalogs and art books. Sappi offers a broad selection of fine paper choices in a range of shades from bright white to neutral, in a variety of finishes, and in varying basis weights in sheet and web. North American brands are: McCoy®, Opus®, Somerset® and Flo®. Our global brands include HannoArt and EuroArt Plus sheets, and the Galerie Publishing Papers, which include Galerie Fine, Galerie Brite and Galerie Lite web. To learn more, visit sappi.com/printing-papers.
Casting and Release Business

Sappi North America is also the world’s leading supplier of casting release papers for the fashion, decorative laminate, automotive and engineered films industries. Our release papers, including the globally recognized Ultracast® brand, provide the surface aesthetics for synthetic fabrics used in footwear, clothing, upholstery and accessories, as well as the textures for decorative laminates found in kitchens, baths, worktops and flooring and other decorative surfaces. In 2016, we announced an exclusive worldwide license agreement with Sharklet Technologies and introduced Neoterix™ ST—the first of its kind—a novel texture based on the Sharklet™ micropattern, which prevents bacterial growth on surfaces without toxic additives or chemicals. To learn more, visit sappi.com/sappi-casting-release-paper.

Packaging and Speciality Papers

In 2014, Sappi North America established a separate business unit to focus on packaging and technical speciality papers. Domestically produced grades include our grease-resistant LusterPrint® designed for use with a wide variety of products such as pet food, popcorn, coffee and bakery products, and LusterCote® a coated one-side (C1S) paper designed for labeling and other converting applications such as litho label, point-of-purchase displays and envelope. We also offer many specialty papers produced at our Alfeld Mill in Germany, including Algro Design, a solid bleached board used in folding carton applications and the Algro Sol line of clay-coated, silicone-based release papers. To learn more, visit sappi.com/packaging-and-speciality-papers.

Sappi Limited

Sappi Limited is headquartered in Johannesburg, South Africa, with over 12,000 employees and manufacturing operations in seven countries across three continents, as well as sales offices in more than 20 countries. Sappi is focused on providing dissolving wood pulp, paper, packaging and wood-based biomaterials to its direct and indirect customer base across the globe. Through three regional manufacturing divisions based in North America, Europe and South Africa, we produce approximately 5.4 million metric tons per year of paper, 2.3 million metric tons per year of paper pulp and 1.3 million metric tons per year of dissolving wood pulp. To learn more, visit sappi.com/group-profile.
Corporate Governance

Sustainability is not just a business philosophy at Sappi North America. It permeates our corporate structure with formal responsibilities, defined goals and accountability demanded from each of our four business units and every part of our operations.

To learn more about our sustainability governance visit sappi.com/sustainability-governance.

Sustainability Steering Committee

Mark Gardner, Chair  
President and CEO

Anne Ayer  
VP, Fiber Resources and Corporate Development

John Donahue*  
VP, Central and Wood Procurement

Deece Hannigan  
VP, Packaging and Specialties Business

Mike Haws  
VP, Manufacturing and R&D

Annette Luchene  
VP and CFO

Sarah Manchester  
VP, Human Resources and General Counsel

Jennifer Miller  
Chief Business Sustainability Officer

Rick Skoglund  
VP, Coated Business

* Retiring January 2018
Sustainability Council

Laura Thompson, Chair
Director, Sustainable Development and Policy Initiatives

Mary Buckelew
Senior Inside Sales Representative

Mellissa Johnson
Compensation and Employment Specialist

Micki Meggison
Director, Technical Service and Process Improvement

Chuck Qualey
Senior Engineer

Rob Schilling
Environmental Manager

Dale Wibberly
Human Resources Manager

Sappi North America Locations

- Headquarters
- Sites (3 Mills, 1 Sheeting Facility, 1 Service Center, Westbrook Technology Center)
- Sales Areas (17)
- Regional Distribution Centers (3)
An International Dialogue with Sappi’s Sustainability Leadership

Sappi Limited board member and SETS Committee Chair Valli Moosa and Sappi North America’s Chief Business Sustainability Officer Jennifer Miller exchange thoughts on sustainable forestry.

Valli Moosa is a director of Lereko Investments Proprietary Limited, Sappi’s strategic Board-based Black Economic Empowerment partner. He’s held numerous leadership positions across business, government, politics and civil society in South Africa, including South African Minister of Constitutional Development; President of the International Union for the Conservation of Nature; and the Chairman of the UN Commission for Sustainable Development. In 2016, Moosa was appointed the chairman of the Social, Ethics, Transformation and Sustainability (SETS) Committee of the Sappi Limited Board.

Jennifer Miller, serves as Sappi North America’s (SNA) Chief Business Sustainability Officer and is responsible for setting the sustainability strategies for all four of SNA’s businesses. She also holds a number of industry leadership positions, including serving as Vice Chair of the Paper and Packaging Board, which promotes the increased use of paper and paper-based packaging as sustainable and renewable solutions.

Q: First, can you explain the role of the SETS Committee and how it operates?

VM: The SETS Board Committee was comprised of three independent directors in 2017 and provided oversight of the group’s policies and initiatives around sustainability, ethics, labor and employment, social and economic development, and, with regards to the group’s South African subsidiaries, the strategic business priority of transformation. As a company heavily reliant on natural resources, sustainability is integral to our business strategy—an area of great potential for differentiation, but also one of potential risk.
**JM:** Regional sustainability councils for North America, South Africa and Europe are responsible for developing long-term sustainability strategies and goals appropriate to our respective markets and businesses, as well as managing any day-to-day issues that arise. These regional councils provide regular input to the SETS Committee, both in terms of reporting progress against regional goals and raising emerging regulatory, market and NGO-related trends.

**VM:** At the SETS Committee level, our agenda is framed around discussion of emerging issues that could present material opportunity or risk for our businesses around the globe. Recent topics include safety, forestry, water and climate change. Approaching each topic this way provides the Committee with a more holistic view on how a given issue affects Sappi overall. Consistent with our global vision and evolution to operate more as One Sappi, we also felt it was important to establish a set of global goals and targets.

**Q:** Can you highlight some of the differences related to forestry practices in the various regions where Sappi operates?

**JM:** In North America, Sappi does not own forest-land or plantations. We buy some market pulp and recycled fiber, but our wood supply is entirely dependent on public and private owners, large and small. Europe is similar in this respect, but has an even broader sourcing region, including pulp from South America and Russia. In South Africa, we primarily source from our own plantations, but also from smallholders. The smallholders within Sappi’s Project Grow are predominantly women who are the primary breadwinners for their families and, as such, present a unique and attractive economic empowerment channel. In all regions, we face challenges in certifying smallholders and are constantly scanning for innovative solutions.

**VM:** From my perspective, it is critical that we have consistent, risk-based approaches in how we source our wood and pulp worldwide. As with all aspects of sustainability, we must strive to balance issues—providing our procurement teams with flexibility to maintain costs while assuring business continuity as well as giving consideration for environmental, social and ethical aspects of purchasing.
Q: What is Sappi’s approach to forestry certification programs and standards?

VM: It is paramount to our business to maintain reliable, responsible sourcing—in wood baskets that are resilient or with species that can be adaptive to disturbances like disease or climate change. In terms of reputational risk, certifications offer third-party assurances that many of our customers rely upon. Our Group Wood and Fibre Sourcing Policy helps clarify our objectives in sourcing. The policy recognizes the leading global certification standards of the Forest Stewardship Council® (FSC®-C014955), the Programme for Endorsement of Forest Certification™ (PEFC™) and The Sustainable Forestry Initiative® (SFI) program. At a minimum, all fiber purchased by Sappi globally must come from well-managed forests and be third-party verified that it is from controlled and non-controversial sources.

JM: The amount of fiber from a certified forest is one of our global goals, and while the specific targets vary by region, ultimately each of the targets aims to meet evolving market demands. Sappi’s plantations in Southern Africa are all currently certified in accordance with the FSC Forest Management Standard. The South African Forestry Assurance Scheme (SAFAS) joined PEFC in May of 2017 and as of December their standard was made available for public consultations. In North America we are members of FSC US and also support and recognize the SFI® program, which is a sustainability organization with a three-pronged mission of forest-based education, conservation and community initiatives. The SFI program has the world’s largest certification program endorsed by PEFC, with over 305 million acres (123 million hectares) under management.

VM: As a former President of the International Union for the Conservation of Nature (IUCN), I was very pleased to learn that the SFI program has been recognized as a member. Biodiversity and conservation are issues of critical importance to Sappi stakeholders. We must continue to partner with likeminded organizations to better understand and demonstrate the importance of good forest management practices and their impacts on conservation.
Q: The Sappi Limited Board met at SNA’s mill in Cloquet, Minnesota, last year. Can you discuss highlights of that meeting?

VM: Because it is important for the board members to visit operations, we hold at least one meeting per year at one of the group’s mills. The Cloquet Mill was extremely impressive in many ways—most notably for its operational excellence. This excellence is demonstrated in the safety performance of the people at the mill, the flexibility of the pulping operations to swing from kraft pulp to Specialised Cellulose (dissolving wood pulp), and the high quality of the printing and writing grades made at the mill.

JM: For the board visit in Cloquet, each region (North America, Europe, and South Africa) was asked to present to the SETS Committee on emerging regulatory issues around water scarcity, use and quality, and the challenges and opportunities each faces. It was a great opportunity for the board committee to hear about and respond to the issues experienced across the different regions where Sappi operates. This kind of engagement leaves all of us with a deeper appreciation for the accountability that the board commands of our senior leadership in regard to the material issues that our company faces.
A Walk in the Woods

Jennifer Miller, Chief Business Sustainability Officer, reflects on how customer, colleague and community connections build stronger companies.

This October, I joined members of our Sustainability Customer Council in the Falmouth Town Forest. We observed an active wood harvest and learned more about what Sappi’s role is in keeping forests healthy and growing for future generations.
Our host Paul Larrivee, a Sappi North America forester for over 17 years, described how a key part of SNA’s business success is our access to competitively priced wood. And since Sappi has a strong reputation for harvesting practices that protect water sources and wildlife, and promote tree stand vigor, we enjoy strong access to that wood.

As Paul puts it, while it takes many cups of coffee to first earn the trust of landowners, what is even more important is to do what you say every season, every year. Kathy Fernstrom, our Customer Council Chair and Publishing Sales Manager, walks with long-term customer Charles David Mathieu-Poulin of TC Transcontinental Printing—demonstrating that strong customer loyalty also depends on that kind of trust, creating value that drops to the bottom line.

Sappi Customer Council member Vicki Trieglaff shares a laugh with Todd Seavy, an independent logging contractor with Sappi. Sappi carefully selects forest professionals like Todd who use in-woods equipment that is low impact on soil and especially suited for selective cutting as prescribed by certain management plans.

Customers now expect that high-quality products come with responsible supply chains. Matthew Jacobson, business development manager of J.S. McCarthy Printers, understands that the trees harvested today might well become coated paper or packaging used in his plant, one of New England’s oldest and largest sheetfed printing operations. It is reassuring to see firsthand how responsibly sourced this wood is.
As Paul and Kathy led us back to our offices in South Portland, I reflected on our time in the woods. Healthy, growing, working forests and strong, sustainable businesses really require the same robust values and practices.

A company needs light, air and transparency to avoid falling victim to changing customer expectations or business cycles. It needs the courage to shed what has become obsolete or outdated, and the foresight to invest in new strategies and assets. Most important of all, it needs constant renewal, through open conversations with customers and colleagues, and all of the other communities that give life to our business.

As Vice President of Corporate Development and Fiber Procurement, Anne Ayer is responsible for sourcing all of Sappi’s market pulp consistent with these high standards. Sappi’s management practices and traceability processes are baked into our wood and fiber procurement policy.

Trip tickets, required by law in Maine, ensure traceability of every truckload of wood that leaves a harvesting site. They identify information about the location, landowner, logger and hauler, as well as the state harvesting permit number. Digitized tickets, perhaps the wave of the future, could allow immediate traceability and enhance the integrity of the supply chain.

SNA’s Chief Information Officer, Marjorie Boles, joined us on the tour. She’s exploring promising new technology platforms that offer secure, encrypted systems to improve traceability of all raw materials in the future.
At Sappi North America, we are committed to operating our businesses in a sustainable manner. Together with the 2020Vision—Sappi’s global growth strategy—we use our sustainability goals program to set targets, initiate improvement actions and monitor progress.
People

Achieve Zero Workplace Injuries

Employee safety is a top priority at Sappi North America and is guided by our Project Zero initiative, which sets a goal of zero workplace safety incidents. Lost Time Injury Frequency Rate (LTIFR) is one important measure for tracking work-related incidents resulting in injuries that reduce an employee’s physical capabilities. It measures injuries resulting in lost time per one-million work hours.

In 2017, we achieved an LTIFR of 0.43 which ties our best-ever reported performance (also achieved in 2013) and represents a 38% improvement over our performance in 2016. The LTIFR benchmark for the top quartile of performance for US paper mills is 0.6. In addition, the achievements of the Cloquet Mill were recognized by our trade association, AF&PA, with a Sustainability Award for leadership in safety. Our converting facility in Allentown and the Technology Center once again closed out the year with zero incidents.

Offer 60 Training Hours Per Year, Per Employee

Maintaining a skilled workforce is critical to achieving high performance in our complex manufacturing operations and business management systems. We continue our commitment to employee training, and in 2017, we achieved an average of 80 hours of training per employee, which is consistent with the prior year and well ahead of our goal.

In preparation for the rebuild of Paper Machine 1 at Somerset Mill, comprehensive educational efforts are already underway. The training programs include both hourly and salaried personnel and cover the new equipment, new products, and customer expectations and needs as we enter a new business segment.

We’re hiring new employees at a high rate due to retirements, so it is critical to our success that employees continue to receive the appropriate level of value-adding skills and safety training.

Promote Employee Engagement

We established targets for two metrics from the Willis Towers Watson employee engagement survey, which we undertake every two years across all of Sappi Limited.

Using 2015 as the baseline year, we have committed to publicly reporting two key metrics from the survey: total survey participation and level of sustainable engagement.

We measure levels of sustainable engagement by examining employee responses to a set of seven questions that cover a range of topics, including commitment to company goals, willingness to exert discretionary effort, having the resources to achieve high work performance, and accomplishments and recognition.

With our 2015 baseline year in mind, we had a goal of increasing survey participation by 2 percentage points to 67 percent in 2017. We surpassed that goal with a 71 percent participation rate—a 6 percentage point increase. Several locations achieved 100 percent participation.

We also aimed to increase the sustainable engagement goal by 2 percentage points to 74 percent. We surpassed that goal as well by reaching a level of sustainable engagement of 77 percent.
Prosperity

Meet or Exceed 12% RONOA

Return on net operating assets (RONOA) is a core measure of financial sustainability that measures how effectively we use our asset base to generate profit.

In 2017 Sappi North America achieved a 4.7% RONOA, down only slightly from the prior year due to very challenging conditions in graphics and release markets. Disciplined cost management and strong performance in our dissolving wood pulp helped to offset the impact of these headwinds.

Looking ahead, Sappi North America will be completing several significant investments in 2018, including Somerset’s new wood yard ($25M) and rebuild of Paper Machine 1 for packaging ($165M), as well as a new Paper Machine 12 headbox ($6M) at Cloquet which will improve product quality.

These investments create the platform for increased profitability and growth in 2018 and beyond.

Planet

Achieve 60% Certified Fiber

Our certification goal tracks the amount of certified fiber from wood and pulp across our three manufacturing operations.

Our 2014 base year achievement of 66 percent certified fiber reflects the mix impact of high levels of certified kraft pulp purchased for the Cloquet site after conversion of the pulp mill to make dissolving wood pulp (as well as kraft). Since then, as we swung to making more kraft pulp at Cloquet, certified levels dropped. The current level of certified fiber of 54 percent also reflects somewhat limited certified wood located in economic hauling range to our two pulp mills.

Despite the variables, we’re committed to responsible sourcing. All of our wood fiber is sourced from well-managed forests and is third-party verified that it is from controlled and non-controversial sources.

These standards build on the strong legal framework within the US and offer additional assurances that there are no controversial sources in our wood basket.
Lower Total Energy Expenditure

Energy use and climate change remain top of mind for Sappi and our stakeholders. We’ve worked to control energy consumption, and continue to focus on this critical aspect of our operation.

Our goal is to reduce the total amount of energy expended per ton of product by 5 percent, as compared to the 2014 baseline. In 2017 we achieved a 2 percent reduction and are on track to reach this goal.

Each of our mills is equipped to use different fuel sources to help manage energy costs. With fuel-switching we can see trade-offs between emissions and efficiency.

A 2017 increase in use of biomass, which is less efficient than natural gas, at both Westbrook and Somerset mills resulted in lower efficiency than the prior year; however, we saw significant improvements at Cloquet.

Reduce Raw Material Waste

Efficient use of raw materials improves front-end cost savings, reduces environmental impact and lowers costs associated with waste processing. To achieve these benefits and focus our data collection, we have separate goals for the pulping and papermaking process areas.

In our paper mills we’ve established a 5 percent reduction goal, whereas our pulp mills are targeting a 10 percent reduction in material losses (which we measure in mill process sewers before these streams enter our on-site treatment plants). At the beginning of 2017, we discovered a measurement error that impacted the historical paper mill losses, and we are therefore restating the baseline using the 2017 data.

The Cloquet Mill has achieved significant improvements over the past several years, and we aim to improve across all three mills and achieve a 5 percent reduction by 2020.

We continue to make year-over-year reductions in the pulp mill losses despite having exceeded our original target. This year the mills have reduced losses even further, achieving a total reduction of 17.7 percent over the 2014 baseline.
Sustainable development is core to our business strategy. We balance a daily operational focus of sourcing wood, identifying productivity improvements and fulfilling customer orders, with a long-term view for growth in core markets and expansion through investment in new markets, innovative equipment and groundbreaking technology.
“Sappi North America saw many successes in 2017 despite challenging market headwinds—and the momentum to achieve stronger profitability and growth in 2018 through product diversification is already well underway.”

Mark Gardner, President and CEO, Sappi North America

Reflections on 2017 Financial Performance

The Sappi Group again delivered a strong performance in 2017 despite higher purchased pulp prices and a stronger Rand/Dollar exchange rate. Profit for the year increased 6 percent to $338M and earnings per share increased 12 percent. Even with lower cash generation than 2016 due to large capital investments in all regions, we reduced debt by $86M and declared a dividend of $0.15.

In North America, procurement initiatives and continuous manufacturing improvement mitigated market price increases for raw materials and declining paper prices while enhancing our competitiveness in the graphic paper segment. Specialty packaging growth further diversified our business and helped alleviate our dependence on the declining graphic market.

Our Transformative Journey Continues

In 2015, Sappi Limited announced a new strategic vision to reshape our business through further diversification. Our journey is an intentional evolution of the business—changing to meet market needs and opportunities.

By 2020, we aim for the composition of our group EBITDA to be balanced such that 25 percent is derived from packaging and specialties; 25 percent from graphic papers; 40 percent from dissolving wood pulp; and 10 percent from new business opportunities such as nanocellulose, biorefinery products and energy.

In 2017, Sappi took several important steps in furtherance of those goals: Acquisitions of Plaxica, a technology leader in sugar extraction; Rockwell Solutions, a barrier coating company; and an announced deal for Cham, a specialty packaging company, that when closed, will extend our reach in biomaterials and packaging, respectively. Investments at Gratkorn, Lanaken, Maastricht and Ehingen Mills in Europe, the Somerset and Cloquet mills in North America and dissolving wood pulp debottlenecking at Saiccor and Ngodwana all support the transition to a high-growth, diversified company.
Sappi Recognized for Cloquet Investments

In September 2017, Sappi North America received an award from the governor’s office under the Department of Employment and Economic Development (DEED) in recognition of its investment and innovative technologies at the Cloquet Mill.

The company was recognized for its contributions to the economic vitality of local communities, and its commitment to keeping Minnesota a world-leading center of business investment and innovation.

The Cloquet Mill in Cloquet, Minnesota, currently employs nearly 700 people. As part of our commitment to training a knowledgeable workforce, Sappi partnered with DEED and Fond du Lac Tribal and Community College in 2016 for a Minnesota Job Skills Partnership Grant.

“We are honored and delighted to receive this award from the Governor’s office for our contributions to the great state of Minnesota,” said Mark Gardner, President and CEO of Sappi North America.

The Cloquet Mill completed a $170 million capital investment in 2013 to convert the kraft pulp operations to also produce dissolving pulp used in textile and consumer goods markets.

Through this product diversification, along with investments in renewable energy and waste reduction, the mill has stayed profitable and competitive in a challenging market.

“Through the investments made under Sappi’s 2020Vision strategy, we’re ensuring that our Cloquet facility will continue to operate at this high standard for many years to come,” Gardner said.

“We remain committed to training because a highly skilled workforce is critical to maintaining our competitive edge.”

Mike Schultz, Managing Director, Cloquet Mill
Barrier Technology Acquisition To Enhance Sappi’s Global Food Packaging Innovation

Sappi has bolstered its presence in the growing market of sustainable paper packaging with the acquisition of the barrier film technology of Rockwell Solutions Limited. The transaction, announced on July 4, 2017, allows Sappi to accelerate the development of its own barrier film technology, including barriers for product protection and heat sealability for more efficient processing.

This enhanced technology base will enable us to offer our customers global solutions to market needs for more sustainable and recyclable packaging by offering replacements to fossil-based packaging material.

Providing Transparency

EcoVadis Gives Sappi North America a Gold Rating

At a regional level, Sappi North America also provides an annual update of mill performance statistics through GreenBlue’s Environmental Paper Assessment Tool (EPAT). In 2017, based on requests from each of our business units, we joined the EcoVadis, a third-party platform that scores information across a breadth of sustainability information including sections on Environment, Labor Practices, Fair Business Practices and Sustainable Procurement. In our first year of participation we are proud to have received a Gold Rating, the highest level of recognition, from EcoVadis. In particular, the EcoVadis report noted that Sappi North America was among:

- The top 4% of suppliers assessed by EcoVadis in all categories and the top 7% of all suppliers in the category of pulp and paper manufacturing
- The top 6% of pulp and paper suppliers assessed in terms of Labor Practices
- The top 15% of pulp and paper suppliers assessed in terms of both Environmental and Fair Business Practices

Sappi utilizes numerous systems and other tools for providing information on our sustainability performance. In addition to our annual sustainability report, we utilize globally recognized third-party platforms to provide additional transparency to various stakeholders. Many of these disclosures are coordinated at the Sappi Group level, including the performance of all of Sappi’s operations in Europe, South Africa and North America. Global reporting includes:

- A group-level sustainability report in accordance to Global Reporting Initiative (GRI) standards
- The Carbon Disclosure Project—Climate change (Investors and Supply chain modules)
- The Carbon Disclosure Project—Forestry
- The United Nations Global Compact
Top 4% of suppliers assessed by EcoVadis in all categories

Top 7% of all suppliers in the category of pulp and paper manufacturing

Top 6% of pulp and paper suppliers assessed in terms of Labor Practices

Top 15% of pulp and paper suppliers assessed in terms of both Environmental and Fair Business Practices

More information about each of these transparency mechanisms can be obtained through our website at sappi.com.
$165 Million Rebuild at Somerset Mill To Be Completed in 2018

“By investing in our business to pursue growing areas of demand, we can remain profitable and competitive in the global marketplace.”

Steve Binnie, CEO of Sappi Limited

In February 2017, Sappi announced the approval of a $165 million capital project that will expand Sappi North America’s manufacturing capabilities and flexibility to include a variety of consumer packaging products.

The project, slated to come online in early 2018, will take place at the Somerset Mill in Skowhegan, Maine. A rebuild on Paper Machine 1 will allow for the production of both coated and packaging grades and will increase the Somerset Mill’s paper and paper-based packaging capacity to approximately 1 million metric tons annually—an incremental 180,000 metric tons.

“Somerset’s existing world-class infrastructure together with its talented workforce and access to high-quality fiber makes the mill an excellent and obvious choice for this investment,” said Mark Gardner, President and CEO of Sappi North America.

This investment is part of the transformation outlined in the company’s 2020Vision. With the Paper Machine 1 rebuild, as well as the projected organic growth in current packaging grades, Sappi North America is on a path to exceed the 2020Vision goal of packaging and specialties representing 25 percent of EBITDA.

“This move complements our long-term 2020Vision strategy, which seeks opportunities to substantially increase our group EBITDA,” said Steve Binnie, CEO of Sappi Limited. “By investing in our business to pursue growing areas of demand, we can remain profitable and competitive in the global marketplace.”

Coated graphic papers have long been the core of Sappi’s business, and the company’s investments have helped grow market share in this increasingly competitive segment.

With the new capabilities on Paper Machine 1, Sappi will be establishing a strong platform for growth in paper-based packaging, while maintaining its leadership position in the graphic paper market.
In 2016, Sappi Limited established a new global business, Sappi Biotech, to accelerate our response to consumer demand for renewable products with a low carbon footprint.

Sappi took a major step forward in September 2017 toward efforts to expand its biorefining expertise with the acquisition of Xylex® and Versalac® technologies, owned by Plaxica Limited.

Through this transaction, Sappi has acquired the sugar clean-up technologies, patents, know-how, equipment and key technical staff of Plaxica Limited.

Part of Sappi’s biorefinement strategy since 2013 has been to extract C5 hemicellulose sugars from our Pre-Hydrolysis Kraft (PHK) liquors. Plaxica’s Xylex solution is rated as one of the most advanced in the separation of sugars from pulp mill hydrolysates with optimum efficiency and economics.

Plaxica’s Versalac technology enables the production of low cost lactic acid, a platform chemical used in the production of a variety of bio-chemical products including polylactic acid.

The technology acquisition follows Sappi’s successful commissioning of a demonstration at its Ngodwana Mill in South Africa to extract a sugar-rich, pre-hydrolysate stream from the PHK pulping process in April 2017.

The plant will help us better evaluate the potential of the sugar extraction processes, and to develop an operating model that could be replicated at the Cloquet Mill in North America and other Sappi sites.
Significant upgrades were recently made to the headbox on the No. 12 Paper Machine at the Cloquet Mill, including improved dilution control. The modifications will result in improved sheet flatness and roll quality. The previous headbox controlled basis weight through slice lip profiling, where the shape of the discharge nozzle is deflected slightly to spread the fiber evenly across the machine.

“Slice lip profiling has limited range of control and causes undesirable effects on fiber orientation,” said Technical Services Manager for Paper, Kraig Melin. “The new headbox controls basis weight much more precisely through the addition or subtraction of dilution water in narrow control zones, providing much improved fiber orientation.”

Sappi’s Board approved the $6 million investment on December 6, 2016, setting aggressive milestones to have the project completed in just ten and a half months. The team overseeing the project met the startup target date for completion—October 23, 2017—as well as all key milestone dates along the way.

The project produced several other noteworthy successes: demolition, construction and startup were completed without a recordable safety incident. Saleable paper was produced after just two reels, with basis weight profiles dramatically improved from baseline. Roll construction and quality were also improved, even before headbox tuning and optimization.

Melin attributes these remarkable achievements to excellent engineering work and lauds Sappi’s investment in the mill.

“The investments will improve quality as well as operational efficiency,” he said.

The investment is another example of Sappi’s 2020Vision, which seeks to balance the group EBITDA by making investments in graphic paper manufacturing in order to remain an industry leader while also exploring other opportunities to balance and diversify group EBITDA.

“The game was about to change,” Melin said. “This investment will help us stay in the game in a competitive market.”
We approach environmental responsibility from a holistic perspective grounded in life-cycle thinking—looking carefully at raw material use, energy generation, manufacturing and the end of life of our products. We work across the supply chain to drive change within our spheres of influence.
Responsible manufacturing begins with responsible sourcing. For the wood products industry, it is paramount that our natural resources are used wisely. In the US, a strong legal framework has shaped and upheld responsible forestry practices for generations. The Clean Water Act first established the requirement for best management practices (BMPs) in the 1970s. Forestry BMPs have been evaluated, tested, revised, and adapted over time by each state. Third-party certification standards have led to additional improvements and provide a scalable assurance mechanism for stakeholders.

“Forest certification programs such as the Sustainable Forestry Initiative® (SFI) have made important contributions to improved BMP implementation through logger training, landowner outreach, and water quality requirements.”

National Association of State Foresters report on “Protecting Water Quality through State Forestry Best Management Practices”

**Forest Certification**

The amount of certified forest varies significantly by country and region. North America is home to over one-third of FSC certified land globally and over half of the world’s PEFC certified fiber. While it is difficult to quantify precisely, in the US a significant portion of the forest is certified under more than one standard and roughly one-third of our fiber meets both the FSC and PEFC standards. However, because of the high level of private ownership and the number of smallholders in the supply chain, it is not possible to achieve 100 percent certified fiber. At over 50 percent certified forest fiber in our supply, we have achieved levels higher than most North American manufacturers.

<table>
<thead>
<tr>
<th>Total Certified Area (million acres)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FSC 168 482</td>
</tr>
<tr>
<td>PEFC 406 751</td>
</tr>
</tbody>
</table>

Certification Data Compiled November 2017
Holistic Fiber Sourcing Assurances

Because of the limited availability of certified forest fiber, nearly all supply chains use a blend of certified and uncertified fiber. In order to maintain the highest levels of assurances with chain of custody claims, the leading global standards have instituted additional control measures for the uncertified lands. The FSC has established a Controlled Wood standard while the SFI program has a separate Fiber Sourcing Standard. Both of these standards are separate from the Chain of Custody Standards. The FSC Controlled Wood standard is designed to eliminate the presence of controversial sources. There are five categories of unacceptable material that cannot be mixed with FSC certified materials:

- Illegally harvested wood
- Wood harvested in violation of traditional and human rights
- Wood harvested in forests in which high conservation values (HCVs) are threatened by management activities
- Wood harvested in forests being converted to plantations or non-forest use
- Wood from forests in which genetically modified trees are planted

Our group wood and fiber policy requires that all wood and pulp sourced for Sappi (globally) must come from well-managed forests and be third-party verified that it is from controlled and non-controversial sources. In North America, all of our wood and pulp purchases also meet the SFI Fiber Sourcing Standard which has additional requirements beyond avoiding controversial sources. Building on top of a very strong legal framework within the US and Canada, the SFI Fiber Sourcing Standard also requires that we meet several measurable objectives including:

- **Landowner Outreach:** To broaden the practice of sustainable forestry by forest landowners through fiber sourcing programs.
- **Use of Qualified Resource and Qualified Logging Professionals:** To broaden the practice of sustainable forestry by encouraging forest landowners to utilize the services of forest management and harvesting professionals.
- **Adherence to Best Management Practices (BMPs):** To broaden the scope of sustainable forestry through the use of best management practices to protect water quality.

Building on the solid legal framework and bolstered by our adherence to third-party verification standards, we can assure stakeholders that 100 percent of our forest fiber is from a well-managed forest, at low risk of any controversial source.

Logger Education Efforts

Our procurement foresters work directly with landowners and can make recommendations for forest management and harvesting professionals. Maine and Minnesota have strong professional logging associations that offer a range of training activities to logging professionals, including certification to Master Logger and Certified Logging Professional (CLP) standards.

The Maine CLP program emphasizes safety, and its curriculum includes separate modules centered on the business of logging; forest management/silviculture; safe and efficient harvesting; and CPR/First Aid.

Coursework offered through the Minnesota Logger Education Program includes:

- Biomass harvesting guidelines
- Chainsaw felling
- Compliance with transportation rules and guidelines
- Designing timber sales for wildlife
- Estimating timber volume; financial skills
- Forest management guidelines
- Forest pest detection
- Human resource management
- Information technology (e.g., GPS, GIS, LiDAR)
- Log scale and grading
- Markets for wood products
Forestry Conservation in Lake States

Every year, the SFI Implementation Committees pool and distribute resources, contributing hundreds of thousands of dollars to various organizations in support of conservation, research and education. Since 1995, SFI participants have collectively contributed over $1.6 billion to conservation efforts.

Our wood procurement group for the Cloquet Mill supports numerous conservation projects through direct funding and in-kind resources, as well as through the collaborative efforts of the SFI Implementation Committees in Michigan, Wisconsin and Minnesota.

Examples of Beneficiaries of Our Support Include:

- **Ruffed Grouse Society**: Creates healthy forest habitat for the benefit of ruffed grouse, American woodcock and other forest wildlife. RGS works with landowners and government agencies to develop this habitat utilizing scientific management practices.

- **Dovetail Partners**: Conducts forest dwelling bat surveys in Aitkin and Carlton counties in support of a broader initiative related to bat habitat conservation efforts in the state.

- **University of Minnesota Sustainable Forests Education Cooperative**: Offers continuing education opportunities to forestry and natural resource professionals in a broad range of fields, including forest ecology and management, wildlife biology, forest hydrology, botany, best management practices, technology transfer, and human dimensions of natural resource management.
In terms of total consumption of energy, pulp and paper is third among industrial sectors; only the refining and chemical industries consume more. However, environmental impact is affected not just by the amount of energy consumed, but also by the type of energy. On average, US pulp and paper mills derive nearly two-thirds of their energy needs from renewable sources that are considered carbon neutral. Sappi’s mills derive nearly 80 percent of their energy from renewable resources.

Across the organization, we have strategically reduced our use of traditional fossil fuels by seeking out alternative energy sources, including reclaimed oil, construction and demolition wood, and tire-derived fuel. Simultaneously, we have increased our usage of traditional biomass sources from woody biomass and black liquor. The cumulative effect results in higher levels of renewable energy, lower greenhouse gas emissions and reduced energy costs.

The results at our Somerset Mill exemplify our commitment to continuous improvement and cost containment. Looking back, in 2007 the mill generated 18.6 percent of its energy from fuel oil. Over the past ten years the mill has successfully executed a series of energy improvement projects. Many of these projects have been a result of upgrading equipment, from more efficient lighting and motors, to waste heat recovery. In 2010 the mill invested heavily in the utilities complex, upgrading the chemical recovery boiler and evaporator system. And in 2013 we announced an agreement with Summit Natural Gas of Maine to establish natural gas service to the Somerset Mill. This massive infrastructure project also brought natural gas to seventeen local communities.

The ongoing focus on both energy use and energy type has dramatically shifted the energy profile at the Somerset Mill. It currently purchases more energy from the electric grid (increasing Scope 2 emissions), but, more significantly, only 1.2 percent of the energy was derived from fuel oil. Displacing fuel oil with natural gas reduces the mill’s output of greenhouse gas emissions because CO₂ emissions from natural gas are 30 percent lower than #6 fuel oil, based on equivalent energy input. The net result has been a 22 percent reduction in combined Scope 1 and Scope 2 greenhouse gas emissions.

**Somerset Mill Greenhouse Gas Emissions**

<table>
<thead>
<tr>
<th>Year</th>
<th>Scope 1</th>
<th>Scope 2</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>0.02</td>
<td>0.44</td>
<td>0.46</td>
</tr>
<tr>
<td>2017</td>
<td>0.24</td>
<td>0.12</td>
<td>0.36</td>
</tr>
</tbody>
</table>

**Somerset Mill Total Energy by Source**

<table>
<thead>
<tr>
<th>Year</th>
<th>Renewable</th>
<th>Fuel Oil</th>
<th>Natural Gas</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>78.4%</td>
<td>18.6%</td>
<td>0%</td>
</tr>
<tr>
<td>2017</td>
<td>72.7%</td>
<td>9%</td>
<td>9%</td>
</tr>
</tbody>
</table>

**22%**

Reduction in greenhouse gas emissions
Logistics

Our focus on energy and emissions extends beyond our mill gates. Since 2009, Sappi has participated in the US Environmental Protection Agency’s (EPA) SmartWay® Transport Partnership, an innovative collaboration between the EPA and companies that provide freight delivery services. In support of the partnership, we include the SmartWay specification in our carrier bid contracts, and since 2013, approximately 95 percent of our cumulative domestic ton-miles have been shipped by SmartWay carriers.

Data show that the US transportation sector uses more energy than the entire industrial sector. Every day billions of dollars in goods are in transit, and the logistics industry moves more than 56 tons of freight per person per year. While the transportation sector consumes roughly 29 percent of the total energy, it’s responsible for over 50 percent of NOx emissions and over 30 percent of VOC emissions, pollutants that contribute to smog and poor air quality.

IT Infrastructure

Our South Portland corporate office houses our data center. The information technology group constantly monitors the efficiency and costs associated with running the data center. Results show that we routinely keep our cooling requirements below 25 percent of the total power demand demonstrating best practices. In 2013, the group installed flywheel technology as an alternative to lead acid batteries for an uninterrupted power supply (UPS). We were the first company in the State of Maine to implement this technology in a data center which has enabled Sappi to realize a 95 percent improvement in UPS availability.

Percentage of Total Energy Consumption by Industry

- 29% Transportation
- 22% Industrial
- 11% Residential and Commercial
- 39% Electric Power
Allentown’s sheeting operations stand out as an excellent example of an industrial process that’s efficient, flexible and generates nearly zero waste.

Allentown currently can sheet and package 110,000 tons of paper per year utilizing three sheeters. It also operates carton and shrink wrap packaging lines and other converting support equipment. Allentown’s Operations Manager, Mark Wagner, is proud of the waste reduction and recycling accomplishments of his team.

“We recycle and reuse soft-white broke, hard-white broke, office paper, corrugated cardboard, kraft wrap, and kraft headers,” says Wagner. “All of our cores are recycled; some to be re-pulped, while some end up being used to make cat scratching posts and climbing trees. Core plugs are resold, sawdust is used in bedding for small animals, pallets and other wooden items are recycled into mulch and compressed wooden heating pellets, and are also used in making silt socks. We recycle shrink wrap, kraft air bags, and poly-woven dunnage air bags.”

Landfill costs, including those incurred delivering and exchanging containers, average $90 per ton, so every pound of material that is sent out to recycling rather than to landfill represents savings to the company’s bottom line. The team also identifies markets for some materials to be recycled or re-pulped, creating revenue streams for “waste” paper. The small amount of waste that Allentown does send to the landfill represents materials that as of yet can’t be recycled or resold—like food items from lunches, and some material not generated at the facility.

Meeting higher customer standards, lowering landfill costs, and identifying new uses and new revenue streams for industrial byproducts is a Sappi North America hallmark. “Allentown most likely could qualify to be certified as a ‘zero waste’ facility based on our very low rates of landfill waste. That is impressive,” Wagner says. “But what is even more impressive is that we didn’t need a standard to motivate us. We were already focused on reducing waste and recycling. We are always striving to improve, and challenge ourselves with new ways of reducing waste and that is what makes me so proud of the operations and our performance.”

Sappi’s Allentown sheeting facility generates just one pound of waste for every ton of paper processed, well below industry standards for zero waste designations. With great planning, execution, and a strong vision of how recycling can lower costs and bring in new revenue, Allentown’s range of materials re-used or recycled is impressive.

Allentown’s “Zero Waste” Facility
Sappi’s shared service center in South Portland, Maine has implemented a program that collects the office’s organic solid waste on-site, adding a compost container to complement the existing single-stream recycling and landfill waste containers.

By working with Garbage to Garden, a Maine-based organization and one of the first in the US to offer residential pick-up of solid organic waste, the office has further reduced waste to landfill.

The office donates its compost to local community gardens and other non-profits focused on providing fresh, healthy food options to residents of the Greater Portland area. Since starting the program in November 2015, there has been a dramatic reduction in waste going toward landfill. As of October 2017, Sappi South Portland has sent 7,734 gallons—nearly 46,000 pounds—of organic waste to become compost.

45,700 lbs
Amount of organic waste Sappi South Portland has diverted to compost instead of landfill
Social Responsibility

Our social responsibility efforts focus on our employees, customers and our local and global communities. We engage with customers to create relevant and innovative products. Across our operations, we focus on the safety, well-being and expertise of our employees, and we routinely work to connect and contribute in our local communities and beyond.
Our Teams Set a New Safety Standard

We’re excited to report that 2017 was the best safety year in our recorded history, tied with 2013, and our most complex locations, the Somerset and Cloquet mills, clocked in with record-breaking safety performances.

We’ve established a global goal of zero workplace incidents consistent with “Project Zero,” and our overall safety program targets, and we continue to use the Lost Time Injury Frequency Rate to measure work-related incidents.

Increasing awareness through daily safety communications is ongoing. Front-line leaders provide observations and corrective feedback on critical safe behaviors. We’ve revisited our Cardinal Safety Rules and emphasized incident reporting and early treatment for severity reduction.

At all of our manufacturing facilities, representatives from union and management leadership collaborate to drive safety improvements, and senior mill leadership across each area of operations meets to discuss safety.

We keep employees informed as well. The new employee safety orientation has been streamlined and updated to include the SafeStart® skill building program.

38% Improvement
38% (LTIFR) reduction from the previous year

0 Lost-Time Injuries
Achieved at the Allentown facility, the Technology Center, and the Boston and South Portland offices

2 million
Hours Cloquet employees surpassed without a lost-time injury, a record achievement, putting it among the industry’s best manufacturing sites
Employee Engagement Efforts

Our people are critical to our operations. A key component to any successful employee engagement program is communication. At Sappi North America, we prioritize our communication efforts to ensure that all of our associates are informed of, and feel connected to, the organization’s business, mission, strategy and values. To this end, we utilize a number of resources, including email, social media, newsletters, events, video and printed collateral, to maintain organizational alignment and morale.

Employee Health and Wellness

Maintaining and enhancing the wellbeing of our employees continues to be a top priority at Sappi. A major component of our employee wellness philosophy is to provide prevention and education opportunities that promote a healthy lifestyle. At Sappi North America, our wellness program is effective because it is approachable and incentive-based. For example, employees and their spouses that are enrolled in our medical plans have the ability to create a wellness profile with our insurance provider to earn a gift card. Extra gift cards can be earned by scheduling annual physicals and recommended screenings. Knowing your biometric numbers for things such as blood pressure and cholesterol is key to maintaining a healthy lifestyle. Additionally, every site holds different events based on the needs and preferences of the employees—ranging from healthy cooking and equipment safety demonstrations, to free flu shots and mindfulness activities.

Building a Successful Ergonomic & Injury Prevention Culture at Westbrook

Over three years ago, Sappi’s Westbrook Mill identified an opportunity to improve employee wellbeing by developing an Ergonomics and Injury prevention program. Sappi partnered with a local medical group, InterMed, to assist onsite safety field teams and departments with ergonomic tool and process design, the development of ergonomic guidelines as well as job physical demand assessments in order to reduce the risk of injury. The mill also opened an Office Ergonomics Lab to promote proper equipment fit and assist with office setups.

For those seeking additional assistance, the mill recently opened a wellness center so employees can use exercise equipment and meet with licensed physical therapists who can perform preventive musculoskeletal assessments as well as design an exercise program that is specific to the their needs. Additionally, Sappi is providing shock-absorbing innersoles so employees can put their “best foot forward” in the workplace.

EMTs on-staff at Somerset

When you work in a remote location, every second counts in an emergency. An ambulance typically takes eight to ten minutes to reach the Somerset Mill location, so early intervention can provide the best possible outcome. That’s why each member of the 15-person team of security guards at Somerset Mill is also a certified Emergency Medical Technician. They’re available at a moment’s notice to respond to any emergency.
Sappi North America’s mill in Cloquet, Minnesota, reached a company milestone of over 2 million hours worked without a lost-time injury.

This achievement comes on the heels of the mill’s achievement of 1 million hours worked without injury.

Under the leadership of President and CEO Mark Gardner, safety has become a top priority for Sappi North America. While all three mills emphasize safety, the Cloquet Mill’s performance is exemplary. Some of this can be attributed to four initiatives implemented in the past year.

The See-it, Own-it, Solve-it (SOS) initiative allows employees to take ownership of a safety issue and see it through to completion.

The Fit for Work program trains employees on reducing the risk of injury from ergonomic interactions in their day-to-day work (pushing, pulling, bending).

Cloquet Safety School classroom training offers a unique methodology for safety education and touches on physical safety, health and other topics pertinent to maintaining a safe work environment. This program is mandatory for all employees, regardless of their department.

Finally, the Cloquet Mill ties these safety programs together with its collaborative Safety Leadership Council that meets monthly. The council, a collaborative team of management and union leaders, works to create and sustain safety standards.

Sappi ensures that all its mills are a safe place to work; however, the Cloquet Mill has gone the extra mile to train, educate and engage its employees on the proper protocol for a safe work environment.

The results speak for themselves with the accomplishment of this exemplary safety milestone.
Inspired by the success of Sappi’s Ideas that Matter program, the company launched a similar program in 2016 called Employee Ideas that Matter. The semi-annual program commits Sappi North America to donate a total of $25,000 to causes that are important to employees. Here are a few examples of the organizations that Sappi is honored to support through this program:

The Michael T. Goulet Traumatic Brain Injury & Epilepsy Foundation, Nominated by Foundation Founder Brad Goulet, Hydro Manager and Utilities Engineer at Westbrook Mill

Goulet started this foundation to make a positive change in the lives of patients and families affected by traumatic brain injury and epilepsy disorders. Sappi funds will cover half of the cost of a new branded trailer, which will allow the foundation to securely store and transport bicycle helmets for its community events. Now, participants will be properly fitted for a free helmet and given safety information in a state-of-the-art trailer. In six years, the foundation has fitted and donated more than 10,000 helmets, and the number is growing.

The Ronald McDonald House of Maine, Nominated by Scott Castonguay, Associate Research Engineer at Westbrook Technology Center

The Portland-based Ronald McDonald House provides affordable housing for families with sick children who are receiving medical care in the area. Each room costs around $27,000 per year to operate, and families staying there are asked to donate $10 per night. Last year, 84 percent of these families were unable to donate, so the funds from sponsors such as Sappi—which adopted a room—are critical to these families and their children.

Pine Tree Camp, Nominated by Raymond Charles, Paper Machine 1 Operations at the Somerset Mill

A summer camp in Maine designed specifically for children and adults with disabilities, Pine Tree offers a typical summer camp experience—complete with hiking, swimming, fishing and camping—that is adapted so that all campers, regardless of their disability, may meaningfully participate in all social and recreational activities. Pine Tree Camp has never turned a camper away due to inability to pay tuition. Sappi’s funds will provide tuition for a child with a disability who lives in the Skowhegan area to attend the camp.

Paterson Habitat for Humanity, Nominated by Kathy Fernstrom, Key Accounts Manager in Sappi’s Publishing Sales Group and Chair of Sappi North America’s Sustainability Customer Council

To celebrate a collective 85 years of marriage of two generations, the Fernstrom family decided to give back by helping a neighborhood comeback. Through Habitat for Humanity, they built a “Fernie” house in Paterson, New Jersey, in the Fourth Ward revitalization area. The house the Fernstroms built will become a home to Julia and Luis Gonzalez and their daughter Vanessa, who had been forced to evacuate their apartment building after defective wiring caused continual fires.
Laura Thompson, Sappi’s Director of Sustainable Development and Policy Initiatives, was named a “2018 Woman of Distinction” by Girl Scouts of Maine.

This award celebrates women whose individual excellence and high levels of achievement distinguish them as outstanding members of their communities and exemplary role models for today’s girls.

“We are thrilled to honor Laura Thompson, whose professional pursuit and many accomplishments make her a perfect role model for women of any age,” said Joanne Crepeau, CEO Girl Scouts of Maine.

Thompson was formally honored at the 21st Annual Women of Distinction Gala in December. Award recipients include former senator Olympia Snowe, renowned women’s health expert Christiane Northrup, M.D., and Olympic gold medalist Joan Benoit Samuelson.

The Girl Scouts are aiming its focus on encouraging interest in Science Technology Engineering and Math (STEM) and environmental conservation from an early age. Data show that Girl Scouts are “almost twice as likely as non-Girl Scouts to participate in STEM (60 percent versus 35 percent) and outdoor activities (76 percent versus 43 percent),” Girl Scouts are more likely to seek careers in STEM, law, and business—fields where women are traditionally underrepresented.

“Girl Scouts encourages girls to make a difference in the world and Laura is certainly doing that.”

Joanne Crepeau, CEO, Girl Scouts of Maine

As Hurricane Harvey created a crisis in Texas and Louisiana, Sappi North America and its employees stepped up to help with disaster relief.

When the company offered to match employee donations to the American Red Cross up to $5,000 for humanitarian aid, employees exceeded this match goal, donating over $6,700. With the company match, Sappi donated a total of over $11,700 to the Red Cross for hurricane relief efforts.

To help with the damage caused by Hurricane Irma, employees of Sappi’s Westbrook Mill, South Portland Office and Westbrook Technology Center joined healthcare provider InterMed, Maine School District 6 and residents of the City of Westbrook to purchase and collect 10,000 pounds of supplies.

Their contributions included non-perishable food, clothing, school supplies, diapers, toiletries, cleaning supplies, tools, flashlights, batteries and more. The donated supplies were shipped to Catholic Charities Dioceses of Venice to support the hurricane relief centers it had open in cities and towns across southwestern Florida.
A national campaign to promote paper-based packaging and stymie the decline in the use of paper has proven successful, according to initial results.

Two years ago, Sappi joined other members of the paper industry to fund and launch the promotional work of the Paper and Packaging Board’s campaign, titled “Paper & Packaging — How Life Unfolds.” Sappi North America’s Chief Sustainability Officer Jennifer Miller serves as the board’s treasurer/secretary and the chair of its Finance Committee.

The campaign, designed to reconnect consumers with their love for paper and paper-based packaging, launched in July 2015. It included advertising on TV, in magazines, on select market billboards, and online across consumer and retail websites and digital programming, as well as ongoing public relations efforts and messaging on social media platforms such as Facebook, Twitter, LinkedIn, Pinterest, Instagram and YouTube.

The initial results of the campaign are promising. A preliminary analysis by Harry Kaiser, PhD of Cornell University, concluded that the advertising campaign helped generate more than 500,000 tons of additional paper consumption in 2016.

Specific to its central goals, the advertising campaign helped mitigate the loss of a minimum of 210,000 tons in paper consumption and helped create more than 290,000 tons of packaging consumption.

This analysis is still preliminary, according to Dr. Kaiser, and needs to be further analyzed over time, but it represents the most conservative scenario, which suggests that the campaign is meeting its objectives. Fuller results will be published in 2018 when new data become available.
Connecting with Customers

Sappi understands the importance of creating innovative solutions that meet evolving customer needs. Our future success depends on listening to, communicating with and responding to our customers. From award-winning product development to stunning promotional campaign materials and a groundbreaking retrospective collection, Sappi stands apart.

Customer collaboration is key to future growth

To diversify Sappi’s product offering, the company announced in February 2017 the approval of a $165 million capital project to rebuild Paper Machine 1 at the Somerset Mill. This investment will expand Sappi North America’s manufacturing capabilities to include a variety of consumer packaging products including paperboard. Since February, a dedicated team has been hard at work understanding the new segments’ requirements for launch in early 2018. A particularly important focus has been on the proactive collaboration between Sappi and its future customers on the range of complexities in converting our paper into the finished package. In preparation for a successful new market entry, Sappi has hired best-in-class technical experts, sales professionals and marketing leaders. Customers have opened their doors and spent time at the Somerset Mill and Technology Center to provide direct input on our new product designs and specifications and our service platform. Similar to our expansion of the LusterCote line in 2017, we will adapt to our new customer needs through engagement, commitment and excellence.
LusterPrint®: A Sustainable Solution

Sappi’s LusterPrint provides a paper-based packaging solution as an alternative to fossil fuel-based materials. An easy-to-use reference guide was developed to communicate Sappi North America’s position on sustainable sourcing, reduction of energy consumption, increased efficiency of raw materials, compliance with FDA regulations, and dedication to recycling initiatives. The guide also contains product specifications and details about the world-class manufacturing facility Somerset Mill.

Marketing Thought Leadership

Sappi North America launched a new print education series called Verticals. Each installment looks at individual vertical markets serviced by Sappi North America and examines the unique challenges, traditions and idiosyncrasies each faces when communicating with its target audience.

The first in the series focused on marketing in higher education. The book, printed on Sappi’s Opus paper, provides best practices to be used by colleges and universities in the US, including research and actionable advice for how to attract the nation’s prospective students with a stunning printed format. It brings life to industry statistics, demonstrates unique case studies, explains little-known myths and facts of marketing, and includes a five-page pullout filled with cross-channel marketing tips.

This first installment of Verticals was awarded the annual Positively Print Award, which recognizes an organization that promotes the power, sustainability and effectiveness of print.

“We want to showcase companies that effectively advocate for print,” said President of Two Sides North America Phil Riebel, who co-presented the award. Sappi North America’s ‘Verticals: The Marketing of Higher Education’ publication is an outstanding example of such advocacy.

A Look at Our Legacy

Sappi North America has launched an exciting retrospective collection: The Reflected Works. Each of the series’ three booklets are printed on Opus paper and showcases a different area of expertise in which Sappi has been a leader since its inception in 1854 as the S.D. Warren Company, which Sappi Limited acquired in 1994.

Featuring various S.D. Warren advertisements, educational pieces and promotions from 1910–1969, the retrospective provides a comprehensive look at how the industry has changed over the past century—and how it’s stayed the same.

Several of the featured pieces include work from one of the most influential and innovative designers of the 20th Century, W.A. Dwiggins, who is said to have coined the term ‘graphic designer’ in 1922. He designed for S.D. Warren for decades, including several issues of The Standard.
The Five Second Rule

With only five seconds to convince a customer to read a piece of direct mail, Sappi’s “Five Second Rule” promotional campaign highlights the importance of creating a first impression.

Printed on Sappi’s multiple web cover grades, Opus and Somerset, the kits come in a stunning exterior envelope, designed to illustrate direct mail’s ability to instantly stand out and create a memorable experience so that consumers are driven to take action.

Each direct mail piece in the kit exemplifies a different focus, including versatility, surface quality, style, yield advantage and postage cost. Sappi North America offers the broadest range of web cover options in the industry.

Opus PS is a paper designed for direct mail, with superior glueability, foldability and caliper that guarantees predictable postage costs. Our latest addition for the direct mail market, Somerset 9pt cover offers an 8 percent yield advantage over the competition.

Specialised Cellulose Development

A truly sustainable raw material, dissolving wood pulp, or Specialised Cellulose as it’s called at Sappi, is noted for its versatility. Among its end-use applications are textiles used in high-end fashion, bio-based plastics and other specialty products. When Specialised Cellulose is used in home furnishings, such as towels and sheets with cellulosic-based fabrics, the material offers a breathable, soft, natural feel with high levels of moisture absorbency.

Exhibiting at Packaging Events

To highlight the existing packaging line and prepare for the launch of new products, Sappi North America exhibited at several key industry events, including Luxepack in New York and PackExpo in Las Vegas. Sappi representatives met with top packaging professionals and shared the versatility and breadth of Sappi’s global packaging business.
Neoterix™ ST Wins interzum Award

At interzum, the world’s leading trade fair for furniture production and interior design, Sappi’s Neoterix ST release paper won the coveted intelligent material and design award for 2017.

Neoterix ST is the result of Sappi’s collaboration with Sharklet Technologies, Inc., with whom it entered an exclusive license agreement in 2016 to manufacture and distribute casting release paper and film that features the Sharklet microtexture paired with aesthetic textures desired by customers. Neoterix ST creates surfaces resistant to bacterial attachment and growth, without the use of toxic additives or chemicals.

“We’re encouraged by the potential of Neoterix to make a significant impact in the healthcare industry,” said Deece Hannigan, Vice President, Packaging and Specialties Business, Sappi North America. “We greatly appreciate the recognition from interzum, and together with designers and manufacturers of products used in healthcare settings, we can implement this innovative technology to make a positive difference on human health.”

Holiday Kit on McCoy® and LusterCote®

By sending out a holiday kit to key customers and prospects, Sappi effectively demonstrates the power of paper and its ability to create meaningful, memorable experiences for brands. The season’s beautifully designed, limited-edition kit printed on McCoy Silk included cards, envelopes, gift tags and four double-sided wrapping papers all rolled in a soft touch, foil-stamped box.

The four wrapping papers each featured a different design of a holiday cookie, using UV sand, pearlescent patterns and scented coatings to mimic the smell of real gingerbread cookies. An additional quantity of wrapping paper was printed on LusterCote, demonstrating its superior print performance.
Helping Children Recover with The Healing Tree

For nearly two decades, Ideas that Matter has been a cornerstone in Sappi North America’s corporate responsibility efforts. By supporting the work of designers who are creating print communications to help solve complex social issues, Ideas that Matter is an important participant in the design for social good movement.

As part of its 17th annual Ideas that Matter program, Sappi North America awarded a team of students from ArtCenter College of Design a $50,000 grant to continue the development and implementation of “The Healing Tree: The Safe Niño’s Project.”

The Healing Tree project supported COANIQUEM: a nonprofit treatment center located in Santiago, Chile, that treats thousands of pediatric burn survivors from across South America, and provides therapy, education, and housing for children and their families.

The project is a comprehensive system of design and paper elements that transformed the treatment center into a magical land where patients go on a journey to find The Healing Tree. It included the development of a 30-page storybook, patient passport system and environmental graphics to guide these individuals through their burn treatment plans.

During their recovery, patients are accompanied by two characters from the storybook, Camilla and Lucas—who are also recovering from burns—as well as a cast of animal characters.

A series of 10 custom-made activity booklets contextualize the storybook’s elements and provide fun, simple activities that help the patients engage with their healing process. The animal characters that Camilla and Lucas meet along the way each represent a different treatment department.

As children visit a new department, they collect an activity booklet, which also serves as a reminder for the next visit. The booklets are collected into a passport holder that has an empty tree on the cover, meant to be stamped with new leaves upon a visit to each department. Patients earn prizes, like animal toys and books, after a certain amount of leaves have been stamped onto their passport’s tree.

The environmental graphics developed for the center help expand the storybook’s world. Two of the main treatment hallways and several therapy rooms depict scenes from the storybook by using a strategically developed wayfinding system and the friendly characters from The Healing Tree.

In July 2017, with the help of the Ideas that Matter grant, the remaining environmental graphics were installed and 200 copies of the completed storybooks and 1,000 passports were delivered to COANIQUEM, bringing The Healing Tree to full implementation.

500+
Nonprofit projects funded by the Ideas that Matter grant program

$13 million
Contributions made to causes that use design as a positive force
Key Performance Indicators

The following pages offer a view of our annual performance in important areas of environmental and social responsibility. We monitor key metrics for fiber, emissions, energy usage and the impact of our operations on air, water and solid waste. We use this data to set improvement goals for our operations and interactions with key stakeholders.
Energy intensity, or the total energy consumed to produce a set unit of product, is a key focus of our monitoring and improvement work. Operators manage fuel usage in the steam and power generation systems at each of our mills to optimize production and cost efficiencies and work to achieve our current five-year goal to reduce energy consumption per ton of product by 5 percent. The reported energy profiles of our Westbrook and Somerset mills reflect sales of Renewable Energy Credits (RECs). Variations in renewable energy consumption are a reflection of annual REC sales as well as fluctuations in fuel usage. We will continue making efficiency improvements using project opportunities identified by our production engineers and lean six sigma and continuous improvement teams.

Note: Analysis of our energy use employs a calculation method also used by the Department of Energy and the AF&PA. In this method, energy consumption from purchased electricity is calculated in terms of fuel inputs to account for different fuel efficiencies during power generation and efficiency losses during power transmission.
Intensity metrics reflect the impact per air-dried metric ton of saleable product (including market pulp).
Fiber

One hundred percent of our fiber (wood and pulp) is procured from well-managed forests and is third-party verified that it is from controlled and non-controversial sources. These third-party programs provide assurance that wood-based products have been procured from well-managed forests and are legally harvested. While Sappi does not own any forestland in North America, our foresters provide active forest management services for landowners within our procurement zones. We continue to support and recognize the efforts of multiple third-party certification programs, including the FSC, SFI, PEFC, and American Tree Farm System® a PEFC-endorsed certification program. The Point of Harvest certified fiber refers to wood fiber harvested from lands not otherwise certified by one of the forest management standards but is harvested by logging professionals who are trained and certified in practices designed to conserve forestland. All recycled fiber (RF) is sourced from producers within North America and the deinked pulp is processed chlorine-free. All kraft pulp is elemental chlorine-free (ECF).

The SFI and FSC certification programs have modified their standards to include post-industrial fiber (PIF) as part of their claim and labeling schemes. In considering this change, FSC published a comprehensive study where it concluded that restricting claims to only post-consumer fiber was creating an uneven playing field in global markets and was actually distorting consumers’ perception of the value of recycled fiber.

During FY17, we utilized recycled fiber from both post-industrial and post-consumer recovered fiber sources. Our deinked pulp suppliers don’t quantify the ratio of the specific sources; therefore, we no longer differentiate and simply categorize all of these sources as "recycled fiber."

2017 Total Fiber Sourcing

One hundred percent of our fiber is procured from well-managed forests and is third-party verified that it is from controlled and non-controversial sources.

2017 Total Fiber Certification

2017 Fiber Sources
Emissions

Sappi North America continues to operate well below permitted emissions levels associated with on-site energy production in the combined heat and power plants at our Cloquet, Somerset and Westbrook mills.

NOx and SO2 emissions are slightly up over the prior year but are consistent with historical performance levels. Greenhouse gas (GHG) emissions are down over the prior year and equivalent to our best historical performance. Improvements on GHG emissions are a result of less purchased power, less natural gas usage and increased biofuels (black liquor and woody biomass) at the Somerset and Cloquet mills.

Particulate Emissions (kg/admta)

GHG Emissions (tonne CO2/admta)

2017 GHG Emissions by Mill (1K tonne CO2)

SO2 Emissions (kg/admta)

NOx Emissions (kg/admta)

a. Intensity metrics reflect the impact per air-dried metric ton of saleable product (including market pulp).
b. Direct GHG emissions—emissions from sources that the company owns or controls.
c. Indirect GHG emissions from purchased electricity, steam or heat—emissions associated with the generation of electricity, steam or heat.
Water

All pulp and paper mills in North America use and treat water in accordance with comprehensive environmental permits. We saw a slight increase in the water quality metrics—biological oxygen demand (BOD) and total suspended solids (TSS)—primarily due to hindered performance of the waste treatment plant at Somerset.

Our North American mills draw water from surface sources (rivers and lakes) and return treated water to the same primary sources. After on-site primary clarification (solids removal) at Cloquet, we send water to a publicly owned treatment facility, where it is treated further and then returned to Lake Superior. Our total water consumption is low because we return a high percentage of the water we use. Water that is “consumed” in our operations is primarily water lost to the environment due to evaporation in the paper drying process and a small amount of moisture contained in our finished products.

Note: We discovered a historic calculation error affecting our reported water use data at one of the mills, which in turn affected the company-level water quality performance indicators previously reported. Data for the five-year trends have been corrected and our total process water use is consistent with prior years.

Water Intake and Discharge

<table>
<thead>
<tr>
<th>Year</th>
<th>Intake (m³/admtª)</th>
<th>Discharge (m³/admtª)</th>
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<tbody>
<tr>
<td>2013</td>
<td>36.6</td>
<td>2013</td>
</tr>
<tr>
<td>2014</td>
<td>36.6</td>
<td>2014</td>
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<tr>
<td>2017</td>
<td>36.6</td>
<td>2017</td>
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</table>

Biological Oxygen Demand

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<th>BOD (kg/admtª)</th>
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<tbody>
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<td>2016</td>
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</tr>
<tr>
<td>2017</td>
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</table>

Total Suspended Solids

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<tr>
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<th>TSS (kg/admtª)</th>
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<tbody>
<tr>
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<tr>
<td>2014</td>
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<td>2015</td>
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<td>2016</td>
<td>0.48</td>
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<tr>
<td>2017</td>
<td>0.48</td>
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</tbody>
</table>

ª Intensity metrics reflect the impact per air-dried metric ton of saleable product (including market pulp).
Solid Waste

Managing our solid waste and finding ways to minimize waste to landfill remains a focus at all of Sappi’s North American mills. Our overall waste to landfill has been reduced by 30 percent as compared to 2013, and we continue to make improvements within the mill operations. We also have an ongoing effort to find beneficial uses for byproducts. We continue to work with local farmers who use boiler ash and lime mud as soil amendments for managing soil pH, which improves growing conditions for certain crops.

Total Solid Waste to Landfill (kg/adt\(^a\))

<table>
<thead>
<tr>
<th>Year</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
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<tr>
<td></td>
<td>53.8</td>
<td>64.1</td>
<td>52.0</td>
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</table>

Beneficial Use of Solid Waste (tonne/yr)

<table>
<thead>
<tr>
<th>Year</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
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<tr>
<td></td>
<td>37,644</td>
<td>48,021</td>
<td>50,716</td>
<td>84,107</td>
<td>88,856</td>
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</tbody>
</table>

\(^a\) Intensity metrics reflect the impact per air-dried metric ton of saleable product (including market pulp).
Social Indicators

Sappi takes a very active approach to social responsibility both regionally and globally, driving key initiatives in support of our three primary stakeholder groups: employees, customers and the local communities in which we operate. In addition to providing skilled jobs and continued job training, we improve the lives of people by promoting freedom of association, nondiscrimination and the abolition of child labor. We also uphold the principles of the Universal Declaration of Human Rights.

Sappi Limited has been a signatory of the United Nations Global Compact (UNGC) since 2008. We submit an annual communication on progress that describes our company’s ongoing efforts to support the social and environmental principles of the UNGC. More details are available in our Group Sustainability Report, which can be found at sappi.com in the “Our Global Commitments” section. Set forth here are the important social responsibility performance indicators for Sappi North America in 2017.

Sappi North America Age Demographic

Sappi North America Workforce by Gender

Average Hours of Training per Year per Employee by Employee Category

Total Number and Rate of Employee Turnover
Percentage of Employees Covered by Collective Bargaining Agreements

Sappi North America Contributions

Percentage of Women in Leadership of Leading North American Pulp and Paper Companies
Sappi North America 2017 Sustainability Report

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Production Notes

Cover
Opus Dull Cover 100lb/270gsm, 4-color process, match blue plus strike through dull varnish with overall gloss aqueous coating

Interior
Opus Dull Text 100lb/148gsm, 4-color process, match gray plus overall satin aqueous

For more information on our sustainable certifications, please visit:
www.fsc.org
www.pefc.org
www.sfi-program.org
Sappi North America’s Business Units

- Dissolving Wood Pulp
- Printing Papers
- Packaging and Speciality Papers
- Casting and Release Papers